

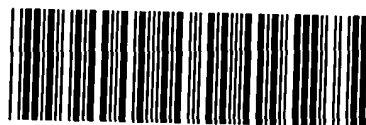
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Registered number: 07819872

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 10
Governance statement	11 - 14
Statement of Trustees' responsibilities	15
Statement on regularity, propriety and compliance	16
Independent auditors' report on the financial statements	17 - 19
Independent reporting accountant's assurance report on regularity	20 - 21
Statement of financial activities incorporating income and expenditure account	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25 - 44

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Mr Andy Stainton, Head Teacher (appointed 1 September 2017)
Mr Jeremy Waxman, Co-Head Teacher (resigned 31 August 2017)
Mrs Rachel Kitley, Co-Head Teacher (resigned 31 August 2017)
Ms Carlien Lavers, Community Trustee
Ms Mary-Anni Allison, Community Trustee
Dr Eileen Sabur, Community Trustee
Mrs Sandra Ernstoff, Community Trustee¹
Dr Jyoti Navare, Co-opted Trustee
Mrs Valerie Pope, Co-opted Trustee
Mr Jag Minhas, Parent Trustee¹
Mrs Georgina Bondzi-Simpson, Chair of Trustees¹
Dr Elizabeth Philpots, Parent Trustee
Mr Yousuf Noor, Parent Trustee
Mr Geoff Williams, Staff Trustee
Mr Loy Lobo, Parent Trustee (resigned 23 March 2017)
Mrs Judith Bijlani, LA Trustee
Ms Brenda Nolan, Staff Trustee
Mr Eric Brunner, Community Trustee
Mrs Rabia Vistro, Parent Trustee (resigned 23 March 2017)
Mr Vinod Siyani, Parent Trustee (resigned 23 March 2017)
Mrs Chural Yadav, Parent Trustee
Mrs Madhuri Agate, Staff Trustee (resigned 1 September 2016)

¹ Members During the Period

Company registered number

07819872

Company name

Kingsbury High School

Principal and registered office

Princes Avenue, Kingsbury, London, NW9 9JR

Chief executive officer

Andy Stainton (appointed from 1 September 2017)

Jeremy Waxman (resigned 31 August 2017)

Senior management team

Mr Andy Stainton, Headteacher (appointed 1 September 2017)
Mr Jeremy Waxman, Co-Headteacher (resigned 31 August 2017)
Rachel Kitley, Co-Headteacher (resigned 31 August 2017)
Mr Christopher Dias, Acting Deputy Headteacher
Mr Atul Patel, Acting Deputy Headteacher
Mr Michael Senior, Assistant Headteacher
Ms Kavita Vishnuram, Acting Assistant Headteacher (resigned 4 June 2017)

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Advisers (continued)

Ms Natalia Ribas, Acting Assistant Headteacher
Mr Stéphen Moore, Director of Resources
Mr Nathan Jenkins, Associate Assistant Headteacher
Mr David Cumbers, Associate Assistant Headteacher

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

Bankers

Barclays Bank PLC, PO Box 1355, Acorn House, 36/38 Park Royal Road, London, BX3 2BB

Solicitors

Walker Morris, Kings Court, 12 Kings Street, Leeds, LS1 2HL

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditors' report of the Kingsbury High School charitable company for the year ended 31 August 2017. The Trustees confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2015.

The Annual Report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 18 serving a catchment area in Brent. It had a roll of 2,040 pupils in Autumn 2016.

Structure, governance and management

a. CONSTITUTION

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing document of the Academy Trust.

The Trustees act as the Trustees for the charitable activities of Kingsbury High School Academy Trust Limited and are also the directors of the Charitable Company for the purposes of company law.

The Charitable Company is known as Kingsbury High School.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. MEMBERS' LIABILITY

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

c. TRUSTEES' INDEMNITIES

There are no third party qualifying indemnity provisions for Trustees.

d. PRINCIPAL ACTIVITIES

The principal activity of the Kingsbury High School Academy Trust is to establish and maintain and to carry on or provide for the carrying on of an independent school in England to be known as Kingsbury High School.

e. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Staff Trustees:

The Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Trustees.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Local Authority Trustee:

The Local Authority may appoint the Local Authority Trustee.

Headteacher:

The Headteacher shall be treated for all purposes as being an ex officio Trustee.

Parent Trustees:

The Parent Trustees are elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he/she is elected. The Governing Body makes all necessary arrangements for, and determines all other matters relating to, an election of Parent Trustees, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Trustees which is contested is held by secret ballot. The arrangements made for the election of a Parent Trustee provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he/she prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Where a vacancy for a Parent Trustee is required to be filled by election, the Governing Body takes such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. The number of Parent Trustees required is made up by Parent Trustees appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies. In appointing a Parent Trustee the Governing Body appoints a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Co-opted Trustees:

The Trustees appoint up to three Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees (including the Principal).

Community Trustees:

The Trustees may appoint up to six Community Trustees. A 'Community Trustee' means a person who is appointed to be a Trustee by a majority vote of the Trustees in accordance with the Articles. The Trustees may not appoint an employee of the Academy Trust as a Community Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees (including the Principal).

f. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Trustees will initially be inducted and trained by the Trustees' Services Department of the Borough of Brent. Thereafter, they will receive continuation training from the Trustees' Services Department of the Borough of Brent and by Trustees' Conference and Training sessions held twice a year

g. ORGANISATIONAL STRUCTURE

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the governors and the executive who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Head Teacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

h. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

Key management personnel are paid in line with market standards and reviewed annually by the Resources Committee.

i. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Academy has no formal connected organisations or related party relationships. However, the Academy works closely with the Village School (Special School) as part of its Academy responsibilities. The Academy also works closely with other schools as part of the association of schools within the Borough of Brent and has also formed a local Kingsbury consortium.

Objectives and Activities

a. OBJECTS AND AIMS

The Academy Trust's objective is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. It aims to achieve this objective by:

- Establishing, maintaining, carrying on, managing and developing the Academy at Princes Avenue, Kingsbury, London NW9 9JR and Bacon Lane, Kingsbury, London NW9 9AT.
- Providing educational facilities and services to students of all ages and the wider community for the public benefit.
- Co operating with other charities, other independent and maintained schools, voluntary bodies and statutory authorities operating in furtherance of the objective and to exchange information and advice with them.
- Offering scholarships, exhibitions, prizes and awards to pupils and former pupils, and otherwise to encourage and assist pupils and former pupils.
- Carrying out research into the development and application of new techniques in education in particular in relation to the areas of curricular specialisation of the Academy and to its approach to curriculum development and delivery and to publish the results of such research, and to develop means of benefiting from application of the experience of industry, commerce, other schools and the voluntary sector to the education of pupils in academies.
- Establishing subsidiary companies to carry on any trade or business for the purpose of raising funds for the Academy Trust.
- Doing all such other lawful things as are necessary for or are incidental to or conducive to the achievement of the objective.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy Trust's objectives, strategies and activities are:

- Providing a full and balanced curriculum for students between the ages of 11 and 18 complying with all statutory requirements and best professional practices.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- Managing and developing the Academy premises at Princes Avenue, Kingsbury, London NW9 9JR and Bacon Lane, Kingsbury, London NW9 9AT to provide the best possible environment for the education of our students.
- Providing on going professional development for all staff to ensure the highest possible standard of teaching and support is provided to the Academy students and the wider community.
- Providing educational facilities and services to the wider community for the public benefit by.
- Cooperating and working with other schools and organisations to exchange information and best practices in support of its objectives.
- Carrying out the development and application of new techniques in education to the benefit of the Academies students and the wider community.
- Undertaking curriculum development and delivery and publishing the results of such research and development.
- Using the experience of industry, commerce, other schools and the voluntary sector to the education of pupils in academies.

c. PUBLIC BENEFIT

The Academy Trust has undertaken the following activities to further its requirement to report on Public Benefit:

- Undertaken public state education for 2,040 secondary school and 6th Form students.
- Provided funding and facilities for an Adult Education programme.
- Made support and facilities available for community activities and projects.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Achievements and performance

a. KEY PERFORMANCE INDICATORS

2016/17 was the fifth year of the Academy. The Academy was again oversubscribed with 336 places being offered to Year 7 students and 247 Students being admitted into Year 12 (including 28 students who had completed their GCSE programmes of study at other institutions).
The results in GCSE exams at KS4 and KS5 were as follows:

	2016			2017		
	Target	Actual	Diff	Target	Actual	Diff
Overall Progress KS2-4 (P8)	N/A	0.35		0.48	0.38	-0.10
Expected Progress KS2-4 English (P8)	N/A	0.47		0.23	0.37	0.14
Expected Progress KS2-4 Maths (P8)	N/A	0.38		1.04	0.39	-0.65
Students achieving 5 Standard Passes inc English & Maths (4+/C)	N/A	61.5%		64.9%	78.0%	13.1%
Students achieving 5 Strong Passes inc English & Maths (5+)	N/A	-		46.6%	53.7%	7.1%
Cohort (all Students)		312			313	

	2016	2017
Students achieving A* - B at A Level	55%	65%
Cohort / Students taking 2 or more exams	110	113

School Absence Data

	2016/17	2015/16	2014/15
Authorised	3.51%	3.21%	3.20%
Unauthorised	2.17%	1.83%	1.80%
Total	5.66%	5.04%	5.00%

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

b. RISK MANAGEMENT

The Trustees have assessed only limited risks from the main area of funding from the Education Funding Agency. Nevertheless, in preparing future budgets they have taken into account potential reductions in the Local Authority Central Spend Equivalent Grant and possible changes to the Schools Funding Formula. The Academy remains liable for its share of the Local Government Pension Fund deficit but an early call on funds is not considered likely. Trustees consider there are no known liquidity or cash flow risks.

c. GOING CONCERN

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Financial review

Most of the Academy's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 month period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

The Academy completed two capital expenditure projects in 2016-17 with a total value of £1,110,040 for which grants and loans (£144,807) were received from the ESFA. These loans are repayable over the next 8 years in equal installments. These projects were to replace and upgrade the windows and doors of school buildings, mainly at the Princes Avenue site, and to install new fire alarm and detection systems at both our Princes Avenue and Bacon Lane sites. The Academy has also committed to two additional projects for Replacement of Fire doors on both sites and the replacement of oil fired boilers on the Princes Avenue site. At 31 August 2017, the Academy had incurred £31,144 of expenditure on these projects, with the balance of £945,006 to be incurred by 31 March 2018. Grants received from the ESFA by 31 August 2017 for these projects amounted to £412,374 with the balance of £455,776 of grants and an advanced loan of £108,000 to be received by 31 March 2018.

a. RESERVES POLICY

Trustees are currently working on a formal Reserves Policy. However, current levels of funding make it unlikely that the Academy will have sufficient funds to make any transfers to reserves.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

b. INVESTMENT POLICY

Trustees' may deposit or invest any funds of the Academy Trust not immediately required for the furtherance of its Object (but to invest only after obtaining such advice from a financial expert as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification)

Trustees may delegate the management of investments to a financial expert, but only on terms that:

- The investment policy is set down in writing for the financial expert by the Trustees;
- Every transaction is reported promptly to the Trustees;
- The performance of the investments is reviewed regularly with the Trustees;
- The Trustees are entitled to cancel the delegation arrangement at any time;
- The investment policy and the delegation arrangement are reviewed at least once a year;
- All payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt;
- and
- The financial expert must not do anything outside the powers of the Trustees.

The Trustees may arrange for investments or other property of the Academy Trust to be held in the name of a nominee company acting under the control of the Trustees or of a financial expert acting under their instructions, and to pay any reasonable fee required.

Currently, there are no investments held.

c. PRINCIPAL RISKS AND UNCERTAINTIES

The Academy holds a comprehensive Risk Register listing 156 potential Academy risks. The principal risks relate to:

- The impact an uncontrollable event or natural disaster might have on the Academy.
- Management and staff capability and entrepreneurial risk.
- Government Education Policy risks.
- Academy financial and ICT systems and disaster recovery risks.
- Future funding risks.

The greatest uncertainties facing the Academy are possible future funding concerns and potential Government Education Policy changes.

Plans for future periods

a. FUTURE DEVELOPMENTS

The Academy plans the following future developments:

- Take forward our aim of being the finest school for miles around.
- The continuing enhancements to the Key Stage 3 curriculum.
- Develop and improve the provision of school data to aid student development.
- To manage performance including tackling areas of underperformance.
- To identify and support students with statements of educational need, disabilities or those suffering deprivation
- To work in partnership with other schools and agencies to increase the range and quality of learning opportunities
- Continue to improve oracy and literacy.
- Work on our students development of skills and personal qualities necessary for their future life.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- Improving yet further student attendance and behaviour.
- Development of all weather sports facilities for our students and the local community.

FUNDS HELD AS CUSTODIAN

There are no funds held as Custodian Trustee on behalf of others.

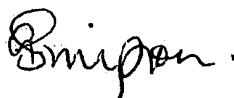
DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report was approved by order of the board of trustees, as the company directors, on 7 December 2017 and signed on its behalf by:

Mrs Georgina Bondzi-Simpson
Chair of Trustees



KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Kingsbury High School has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kingsbury High School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Andy Stainton, Head Teacher	0	0
Mr Jeremy Waxman, Co-Head Teacher	3	3
Mrs Rachel Kitley, Co-Head Teacher	1	3
Ms Carlien Lavers, Community Trustee	2	3
Ms Mary-Ann Allison, Community Trustee	3	3
Dr Eileen Sabur, Community Trustee	3	3
Mrs Sandra Ernstoff, Community Trustee	1	3
Dr Jyoti Navare, Co-opted Trustee	0	3
Mrs Valerie Pope, Co-opted Trustee	3	3
Mr Jag Minhas, Parent Trustee	3	3
Mrs Georgina Bondzi-Simpson, Chair of Trustees	2	3
Dr Elizabeth Philpots, Parent Trustee	1	3
Mr Yousuf Noor, Parent Trustee	1	3
Mr Geoff Williams, Staff Trustee	2	3
Mr Loy Lobo, Parent Trustee	0	2
Mrs Judith Bijlani, LA Trustee	0	3
Ms Brenda Nolan, Staff Trustee	3	3
Mr Eric Brunner, Community Trustee	2	3
Mrs Rabia Vistro, Parent Trustee	0	2
Mr Vinod Siyani, Parent Trustee	0	2
Mrs Chural Yadav, Parent Trustee	3	3
Mrs Madhuri Agate, Staff Trustee	0	0

A special meeting was held on 21 April 2017 to confirm the appointment of the new head teacher at which all trustees appeared apart from Jeremy Waxman and Rachel Kitley.

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to make sure that the academy is following the ESFA's financial regulations.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ms Sandra Ernstoff	6	6
Mr Jeremy Waxman	6	6
Ms Carlien Lavers	5	6
Dr Jyoti Navare, Co-opted Trustee	3	6
Mr Loy Lobo - left March 2017	1	4
Mr G Williams	3	6
Ms Mary-Ann Allison	5	6
Mrs Chural Yadav	4	5
Mrs Rachel Kitley	6	6

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal has responsibility for ensuring that the academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

Purchasing

The Director of Resources & Senior Leadership team have developed procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time and cost. Measures already in place include:

Competitive tendering procedures

Procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)

Procedures which minimise office time by the purchase of goods or services direct from known, reliable suppliers (e.g. stationery, small equipment)

The School applies the four principles of best value:

Challenge – Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents and pupils want?

Compare - How does the school's pupil performance and financial performance compare with all schools? How does it compare with LA schools? How does it compare with similar schools?

Consult - How does the school seek the views of stakeholders about the services the school provides?

Complete - How does the school secure efficient and effective services? Are services of appropriate quality economic?

The Academy Trust Governors' and Co-Headteacher's Approach

The Governors and school managers will apply the principles of best value by ensuring:-

Resources are allocated to best promote the aims and values of the school.
Resources are targeted to best improve standards and the quality of provision.
Use resources that best support the various educational needs of all pupils.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kingsbury High School for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr Stephen Moore, Director of Resources, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account reconciliation's

On a termly basis, the RO reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditors;
- the financial management and governance self-assessment process;

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

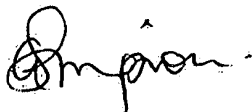
GOVERNANCE STATEMENT (continued)

- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 7 December 2017 and signed on their behalf, by:

Mrs Georgina Bondzi-Simpson
Chair of Trustees



Mr Andy Stainton
Accounting Officer



KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as governors of Kingsbury High School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

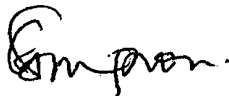
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 7 December 2017 and signed on its behalf by:



Mrs Georgina Bondzi-Simpson
Chair of Trustees

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Kingsbury High School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



Mr Andy Stainton
Accounting Officer

Date: 7 December 2017

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KINGSBURY HIGH SCHOOL**

OPINION

We have audited the financial statements of Kingsbury High School for the year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the Kingsbury High School academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Kingsbury High School academy's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Kingsbury High School for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KINGSBURY HIGH SCHOOL**

financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy's or to cease operations, or have no realistic alternative but to do so.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KINGSBURY HIGH SCHOOL**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditor

Mountcliff House
154 Brent Street
London
NW4 2DR
7 December 2017

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO KINGSBURY
HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 01 December 2011 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kingsbury High School during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Kingsbury High School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kingsbury High School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kingsbury High School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF KINGSBURY HIGH SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Kingsbury High School's funding agreement with the Secretary of State for Education dated 01 December 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO KINGSBURY
HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Chartered Accountants
Statutory Auditor

Mountcliff House
154 Brent Street
London
NW4 2DR

7 December 2017

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

		Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	-	871,109	871,109	1,446,324
Charitable activities	5	-	12,867,784	-	12,867,784	13,309,040
Other trading activities	3	202,048	854,296	-	1,056,344	922,320
Investments	4	1,526	-	-	1,526	3,015
TOTAL INCOME		203,574	13,722,080	871,109	14,796,763	15,680,699
EXPENDITURE ON:						
Charitable activities		190,173	14,400,210	931,629	15,522,012	14,595,263
TOTAL EXPENDITURE	6	190,173	14,400,210	931,629	15,522,012	14,595,263
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	20	13,401	(678,130)	(60,520)	(725,249)	1,085,436
		-	(147,279)	147,279	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		13,401	(825,409)	86,759	(725,249)	1,085,436
Actuarial gains/(losses) on defined benefit pension schemes	24	-	2,830,000	-	2,830,000	(2,765,000)
NET MOVEMENT IN FUNDS		13,401	2,004,591	86,759	2,104,751	(1,679,564)
RECONCILIATION OF FUNDS:						
Total funds brought forward		125,884	(8,443,532)	28,844,197	20,526,549	22,206,113
TOTAL FUNDS CARRIED FORWARD		139,285	(6,438,941)	28,930,956	22,631,300	20,526,549

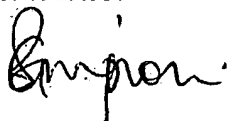
KINGSBURY HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07819872

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	15		28,694,956		28,489,197
CURRENT ASSETS					
Stocks	16	3,257		2,290	
Debtors	17	671,757		502,680	
Cash at bank and in hand		836,698		1,546,202	
		<u>1,511,712</u>		<u>2,051,172</u>	
CREDITORS: amounts falling due within one year	18	<u>(600,635)</u>		<u>(723,820)</u>	
NET CURRENT ASSETS			<u>911,077</u>		<u>1,327,352</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>29,606,033</u>		<u>29,816,549</u>
CREDITORS: amounts falling due after more than one year	19		<u>(126,733)</u>		<u>-</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>29,479,300</u>		<u>29,816,549</u>
Defined benefit pension scheme liability	24		<u>(6,848,000)</u>		<u>(9,290,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>22,631,300</u></u>		<u><u>20,526,549</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	20	409,059		846,468	
Restricted fixed asset funds	20	<u>28,930,956</u>		<u>28,844,197</u>	
Restricted income funds excluding pension liability		<u>29,340,015</u>		<u>29,690,665</u>	
Pension reserve		<u>(6,848,000)</u>		<u>(9,290,000)</u>	
Total restricted income funds			<u>22,492,015</u>		<u>20,400,665</u>
Unrestricted income funds	20		<u>139,285</u>		<u>125,884</u>
TOTAL FUNDS			<u><u>22,631,300</u></u>		<u><u>20,526,549</u></u>

The financial statements on pages 22 to 44 were approved by the Trustees, and authorised for issue, on 7 December 2017 and are signed on their behalf, by:

Mrs Georgina Bondzi-Simpson
Chair of Trustees



Mr Andy Stanton, Head Teacher



KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	22	427,884	1,952,276
Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,137,388)	(2,064,220)
Net cash used in investing activities		(1,137,388)	(2,064,220)
Cash flows from financing activities:			
Loan		(126,733)	(41,526)
Loan brought down		41,526	12,098
Net cash from financing activities		(85,207)	(29,428)
Change in cash and cash equivalents in the year		(794,711)	(141,372)
Cash and cash equivalents brought forward		1,504,676	1,646,048
Cash and cash equivalents carried forward		709,965	1,504,676

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Kingsbury High School constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

Assets under construction	-	No depreciation charged until project and works are complete
Freehold Property	-	10 Years to 43 Years
Fixtures and fittings	-	5 years
Computer equipment	-	3 Years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.14 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.15 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 August 2017 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Capital Grants	-	-	871,109	871,109	1,446,324
Total 2016	-	-	1,446,324	1,446,324	

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Catering income	-	462,213	462,213	410,972
Examination fee Income	-	10,831	10,831	12,224
SSCO Contributions	84,851	-	84,851	59,590
Letting Income	117,197	-	117,197	107,574
Visit Income	-	134,640	134,640	132,951
Lockers Income	-	2,615	2,615	2,055
Caretaker House Income	-	18,000	18,000	6,860
Other Income	-	66,117	66,117	60,094
Village & Avanti School Income	-	159,880	159,880	130,000
	<u>202,048</u>	<u>854,296</u>	<u>1,056,344</u>	<u>922,320</u>
<i>Total 2016</i>	<u>167,164</u>	<u>755,156</u>	<u>922,320</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Investment income	1,526	-	1,526	3,015
	<u>1,526</u>	<u>-</u>	<u>1,526</u>	<u>3,015</u>
<i>Total 2016</i>	<u>3,015</u>	<u>-</u>	<u>3,015</u>	

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

Kingsbury High School

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	11,880,229	11,880,229	12,212,567
Pupil Premium	-	579,466	579,466	527,808
Summer School	-	-	-	36,500
Other ESFA Grants	-	27,500	27,500	27,500
	-	12,487,195	12,487,195	12,804,375
Other government grants				
SEN Funding	-	342,727	342,727	450,394
Other Government Grant	-	1,500	1,500	17,420
	-	344,227	344,227	467,814
Other funding				
Other Grants	-	36,362	36,362	36,851
	-	36,362	36,362	36,851
	-	12,867,784	12,867,784	13,309,040
Total 2016	-	13,309,040	13,309,040	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Educational Operations:					
Direct costs	7,715,166	-	1,744,672	9,459,838	8,992,929
Support costs	3,983,035	771,688	1,307,451	6,062,174	5,602,334
	11,698,201	771,688	3,052,123	15,522,012	14,595,263
Total 2016	10,847,257	860,757	2,887,249	14,595,263	

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Educational Operations	9,459,838	6,062,174	15,522,012	14,595,263
<i>Total 2016</i>	<u>8,992,929</u>	<u>5,602,334</u>	<u>14,595,263</u>	

8. DIRECT COSTS

	Educational Operations £	Total 2017 £	Total 2016 £
Supply staff costs	432,051	432,051	246,325
Technology costs	1,639	1,639	3,938
Educational supplies	290,420	290,420	274,642
Staff development	49,836	49,836	55,657
Examination fees	226,694	226,694	201,081
Other direct costs	177,763	177,763	179,076
Other staff costs	38,018	38,018	44,224
Staff restructuring costs	53,940	53,940	8,364
Other student costs	28,673	28,673	65,961
Wages and salaries	5,702,831	5,702,831	5,599,969
National insurance	641,815	641,815	559,867
Pension cost	884,529	884,529	868,400
Depreciation	931,629	931,629	885,425
	<u>9,459,838</u>	<u>9,459,838</u>	<u>8,992,929</u>
<i>At 31 August 2016</i>	<u>8,992,929</u>	<u>8,992,929</u>	

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

9. SUPPORT COSTS

	Educational Operations £	Total 2017 £	Total 2016 £
Pension finance costs	197,000	197,000	240,000
Supply staff costs	233,119	233,119	226,975
Technology costs	101,201	101,201	85,314
Staff development	16,670	16,670	22,021
Other staff costs	-	-	5,438
Maintenance of premises & equipment	646,623	646,623	741,972
Cleaning	48,637	48,637	57,035
Rent & Rates	76,428	76,428	61,750
Security & transport	170,596	170,596	37,075
Catering expenses	371,781	371,781	325,145
Insurance	73,119	73,119	83,008
Staff restructuring costs	11,550	11,550	-
Trip expenses	97,163	97,163	93,488
Recruitment costs	134,385	134,385	90,843
Governance Costs	6,250	6,250	6,050
Bank interest & charges	7,810	7,810	7,610
Other support costs	105,047	105,047	173,146
Other student costs	26,429	26,429	8,107
Wages and salaries	2,634,574	2,634,574	2,615,514
National insurance	223,368	223,368	188,383
Pension cost	880,424	880,424	533,460
	<u>6,062,174</u>	<u>6,062,174</u>	<u>5,602,334</u>
<i>At 31 August 2016</i>	<u>5,602,334</u>	<u>5,602,334</u>	

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	931,629	885,425
Auditors' remuneration - audit	4,000	4,000
Auditors' remuneration - other services	1,400	1,300
	<u>937,029</u>	<u>890,725</u>

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

11. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	8,337,405	8,215,483
Social security costs	865,183	748,250
Operating costs of defined benefit pension schemes	1,764,953	1,401,860
	<u>10,967,541</u>	<u>10,365,593</u>
Supply teacher costs	432,051	246,325
Staff restructuring costs	65,490	8,364
Support staff supply costs	233,119	226,975
	<u>11,698,201</u>	<u>10,847,257</u>

Staff restructuring costs comprise:

Severance payments	<u>65,490</u>	<u>8,364</u>
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Included in staff restructuring costs of £65,490 (2016: £8,364), there are contractual severance payments totaling £65,490 (2016 - £8,364) and non contractual severance payments totaling £NIL (2016 - £NIL).

The average number of persons employed by the academy during the year was as follows:

	2017 No.	2016 No.
Management	9	8
Teachers	132	129
Support	131	137
	<u>272</u>	<u>274</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	2	3
In the band £100,001 - £200,000	2	2

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2017, pension contributions for these staff amounted to £118,525 (2016 - £90,331).

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £1,286,624 (2016: £980,562).

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

12. RELATED PARTY TRANSACTIONS- TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2017 £	2016 £
Mr Jeremy Waxman, Co-Head Teacher	Remuneration	130,000-135,000	130,000-135,000
	Pension contributions paid	20,000-25,000	20,000-25,000
Mrs Rachel Kitley, Co-Head Teacher	Remuneration	125,000-130,000	
	Pension contributions paid	20,000-25,000	
Mr Geoff Williams, Staff Trustee	Remuneration	50,000-55,000	50,000-55,000
	Pension contributions paid	10,000-15,000	5,000-10,000
Ms Brenda Nolan, Staff Trustee	Remuneration	60,000-65,000	60,000-65,000
	Pension contributions paid	10,000-15,000	5,000-10,000

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016 - £NIL).

13. PENSION FINANCE CHARGE

	2017 £	2016 £
Interest income on pension scheme assets	91,000	114,000
Interest on pension scheme liabilities	(288,000)	(354,000)
	<u>(197,000)</u>	<u>(240,000)</u>

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2017 was £369. (2016 - £2,652).

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

15. TANGIBLE FIXED ASSETS

	Assets under construction £	Freehold Property £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2016	2,727,229	28,797,531	652,779	88,708	32,266,247
Additions	933,577	-	147,223	56,588	1,137,388
At 31 August 2017	<u>3,660,806</u>	<u>28,797,531</u>	<u>800,002</u>	<u>145,296</u>	<u>33,403,635</u>
Depreciation					
At 1 September 2016	-	3,507,809	203,120	66,121	3,777,050
Charge for the year	-	738,486	162,416	30,727	931,629
At 31 August 2017	<u>-</u>	<u>4,246,295</u>	<u>365,536</u>	<u>96,848</u>	<u>4,708,679</u>
Net book value					
At 31 August 2017	<u>3,660,806</u>	<u>24,551,236</u>	<u>434,466</u>	<u>48,448</u>	<u>28,694,956</u>
At 31 August 2016	<u>2,727,229</u>	<u>25,289,722</u>	<u>449,659</u>	<u>22,587</u>	<u>28,489,197</u>

16. STOCKS

	2017 £	2016 £
Catering stock	<u>3,257</u>	<u>2,290</u>

17. DEBTORS

	2017 £	2016 £
Trade debtors	135,720	15,402
Other debtors	187,665	185,582
Prepayments and accrued income	348,372	301,696
	<u>671,757</u>	<u>502,680</u>

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

18. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Other loans	19,602	41,526
Trade creditors	147,756	29,618
Other taxation and social security	220,273	222,881
Accruals and deferred income	213,004	429,795
	<u>600,635</u>	<u>723,820</u>

	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	167,585	40,695
Resources deferred during the year	122,229	167,585
Amounts released from previous years	(167,585)	(40,695)
Deferred income at 31 August 2017	<u>122,229</u>	<u>167,585</u>

Included within deferred income at the year end is £7,706 (2016: £3,211) in relation to the ESFA 16-19 Bursary grant, £2,550 (2016: £6,156) of trip income and £27,973 (2016: £24,908) of other income, and £84,000 (2016: £120,000) of Village School rental income.

19. CREDITORS: Amounts falling due after more than one year

	2017 £	2016 £
Other loans	<u>126,733</u>	<u>-</u>

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

20. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
SSCO Contributions & Lettings	125,884	203,574	(190,173)	-	-	139,285
Restricted funds						
Restricted Funds - all funds	846,468	13,722,080	(14,012,210)	(147,279)	-	409,059
Pension reserve	(9,290,000)	-	(388,000)	-	2,830,000	(6,848,000)
	<u>(8,443,532)</u>	<u>13,722,080</u>	<u>(14,400,210)</u>	<u>(147,279)</u>	<u>2,830,000</u>	<u>(6,438,941)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	28,844,197	871,109	(931,629)	147,279	-	28,930,956
Total restricted funds	<u>20,400,665</u>	<u>14,593,189</u>	<u>(15,331,839)</u>	<u>-</u>	<u>2,830,000</u>	<u>22,492,015</u>
Total of funds	<u>20,526,549</u>	<u>14,796,763</u>	<u>(15,522,012)</u>	<u>-</u>	<u>2,830,000</u>	<u>22,631,300</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Unrestricted funds						
SSCO Contributions & Lettings	87,820	170,179	(132,115)	-	-	125,884
	<u>87,820</u>	<u>170,179</u>	<u>(132,115)</u>	<u>-</u>	<u>-</u>	<u>125,884</u>
Restricted funds						
Restricted Funds - all funds	552,912	14,064,196	(13,770,640)	-	-	846,468
Pension reserve	(6,356,000)	-	(169,000)	-	(2,765,000)	(9,290,000)
	<u>(5,803,088)</u>	<u>14,064,196</u>	<u>(13,939,640)</u>	<u>-</u>	<u>(2,765,000)</u>	<u>(8,443,532)</u>

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

20. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Restricted Fixed Asset Funds - all funds	27,921,381	1,808,241	(885,425)	-	-	28,844,197
	<u>27,921,381</u>	<u>1,808,241</u>	<u>(885,425)</u>	<u>-</u>	<u>-</u>	<u>28,844,197</u>
Total restricted funds	<u>22,118,293</u>	<u>15,872,437</u>	<u>(14,825,065)</u>	<u>-</u>	<u>(2,765,000)</u>	<u>20,400,665</u>
Total of funds	<u>22,206,113</u>	<u>16,042,616</u>	<u>(14,957,180)</u>	<u>-</u>	<u>(2,765,000)</u>	<u>20,526,549</u>

The specific purposes for which the funds are to be applied are as follows:

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes.

Restricted general funds are resources for educational purposes.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	28,694,956	28,694,956
Current assets	139,285	1,136,427	236,000	1,511,712
Creditors due within one year	-	(600,635)	-	(600,635)
Creditors due in more than one year	-	(126,733)	-	(126,733)
Provisions for liabilities and charges	-	(6,848,000)	-	(6,848,000)
	<u>139,285</u>	<u>(6,438,941)</u>	<u>28,930,956</u>	<u>22,631,300</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	28,489,197	28,489,197
Current assets	125,884	1,570,288	355,000	2,051,172
Creditors due within one year	-	(723,820)	-	(723,820)
Provisions for liabilities and charges	-	(9,290,000)	-	(9,290,000)
	<u>125,884</u>	<u>(8,443,532)</u>	<u>28,844,197</u>	<u>20,526,549</u>

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(725,249)	1,085,436
Adjustment for:		
Depreciation charges	931,629	885,425
(Increase)/decrease in stocks	(967)	673
(Increase)/decrease in debtors	(169,077)	7,777
Increase/(decrease) in creditors	3,548	(196,035)
Defined benefit pension scheme cost less contributions payable	191,000	(71,000)
Defined benefit pension scheme finance cost	197,000	240,000
Net cash provided by operating activities	427,884	1,952,276

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	836,698	1,546,202
Loans from ESFA	(126,733)	(41,526)
Total	709,965	1,504,676

24. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Royal Borough of Brent. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2017.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

24. PENSION COMMITMENTS (continued)

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million; and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £884,529 (2016 - £868,400).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £824,000 (2016 - £791,000), of which employer's contributions totalled £686,000 (2016 - £660,000) and employees' contributions totalled £138,000 (2016 - £131,000). The agreed contribution rates for future years are 27.4% for employers and 5.5% to 7.2% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.
London Borough of Brent Pension Fund

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	2.70 %	3.90 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

24. PENSION COMMITMENTS (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2017	2016
Retiring today		
Males	22.3	22.0
Females	24.5	24.3
Retiring in 20 years		
Males	24.1	24.4
Females	26.4	26.8

The academy's share of the assets in the scheme was:

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	2,821,880	2,400,960
Bonds	408,430	984,000
Corporate bonds	-	-
Property	222,780	354,240
Cash	259,910	-
Total market value of assets	<u>3,713,000</u>	<u>3,936,000</u>

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(877,000)	(589,000)
Interest income	91,000	114,000
Interest cost	(288,000)	(354,000)
Total	<u>(1,074,000)</u>	<u>(829,000)</u>

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

24. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2017 £	2016 £
Opening defined benefit obligation	13,226,000	9,016,000
Current service cost	877,000	589,000
Interest cost	288,000	354,000
Employee contributions	138,000	131,000
Actuarial (gains)/losses	(3,908,000)	3,231,000
Benefits paid	(60,000)	(95,000)
	<u>10,561,000</u>	<u>13,226,000</u>
Closing defined benefit obligation	<u>10,561,000</u>	<u>13,226,000</u>

Movements in the fair value of the academy's share of scheme assets:

	2017 £	2016 £
Opening fair value of scheme assets	3,936,000	2,660,000
Interest income	91,000	114,000
Actuarial gains/(losses)	(1,078,000)	466,000
Employer contributions	686,000	660,000
Employee contributions	138,000	131,000
Benefits paid	(60,000)	-
	<u>3,713,000</u>	<u>3,936,000</u>
Closing fair value of scheme assets	<u>3,713,000</u>	<u>3,936,000</u>

25. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	144,031	121,359
Between 1 and 5 years	166,114	28,601
	<u>310,145</u>	<u>149,960</u>
Total	<u>310,145</u>	<u>149,960</u>

26. OTHER FINANCIAL COMMITMENTS

The Academy has committed to two capital expenditure projects with a total value of £976,150 for which grants and a small advance will be received from ESFA. These projects are to replace and upgrade fire doors and boilers of school buildings. At 31 August 2017, the Academy had incurred £31,144 of expenditure on these projects, with a balance of £945,006 to be incurred by March 2018.

KINGSBURY HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

28. AGENCY ARRANGEMENTS

The academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the academy received £40,153 (2016 - £43,976) and disbursed £40,153 (2016 - £43,976) from the fund. An amount of £NIL (2016 - £NIL) is included in other creditors relating to undistributed funds that is repayable to ESFA.

29. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he/she ceases to be a member.